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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

C-63 WORLD COTTON PROSPECTS October 27, 1930

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SUMMARY

Cotton prices generally weakened between mid-September and mid-October. Prices of middling 7/8 inch cotton in the ten markets declined 0.69 cents per pound from September 19 to October 17. The decline in New York and New Orleans was about the same while in Liverpool American spots declined 1.07 cents. In the futures markets for American cotton the net decline amounted to 0.55 to 0.77 cents per pound with the near months somewhat weaker than the more distant months. At Liverpool the net decline in spot prices for the more important foreign growths ranged from 0.06 to 3.28 cents per pound. The greatest declines occurred in Egyptian cottons, especially Uppers, and the smallest in Peruvian and Brazilian. The spread between f.o.b. Bremen prices for fall delivery and New York December futures, which had declined from July into early September, increased in the latter part of September.

The world visible supply of all cotton on October 10, 1930 amounted to 7.2 million bales or 1.9 million bales greater than at the same time last year. American cotton constituted 75.2 per cent of the total this year whereas last year American cotton constituted 67.4 per cent of the total. Stocks of Indian cotton in Bombay on October 10 decreased from 13.3 per cent of the total visible supply last year to 7.1 per cent this year.

Exports of American cotton during September amounted to 903,000 bales, 177,000 bales more than during September last year and were the largest since 1913. Exports during August and September this year were 317,000 bales above the same period last year. Stocks at ports and interior towns in the

United States at the end of September this year were the largest on record.

Cotton textile activity in the United States during September increased considerably, with mill consumption 42,000 bales above August compared with a 10-year average increase of about 2,000 bales. The weekly average production of standard cotton cloth in the United States increased probably less than seasonal, but sales, shipments and unfilled orders increased materially, resulting in a further reduction in stocks.

The depression in the cotton textile industry which is more or less general throughout foreign countries, continued through August and into September. Conditions in Poland, however, were improved with the rate of cotton consumption in September about 25 per cent higher than two months earlier. France reported a revival of demand from the French colonies. Conditions in the Orient were reported somewhat improved toward the end of September which should improve the outlook for export trade of Great Britain and Japan. Smaller stocks of yarn and cloth in some countries is another favorable factor.

The 1930 crop in the United States was forecast at 14,486,000 bales in October, compared with 14,340,000 bales in September and a production of 14,828,000 bales last year. During the first two weeks in October the weather has been generally favorable for picking and ginning in the Eastern Belt while in the Mississippi Valley and the section west of the Mississippi considerable rain and cloudy weather was reported with some complaint of damages. Ginnings to October 1 were considerably above last year and the year before. Cotton acreage in countries reporting to date totals 0.8 per cent below last year.

Prices

Spot

Prices of middling 7/8 inch cotton in the ten markets during the last half of September and the first half of October declined about 0.68 cents per pound. For the week ended September 20, the prices in the ten markets averaged 10.23 cents per pound. For the week ended October 18 prices averaged 9.55 cents per pound. In New Orleans, middling 7/8 inch averaged 10.68 cents per pound during the week ended September 20 and 10.15 cents per pound for the week ended October 18. The decline in New York prices was about the same with an average of 10.94 cents and 10.30 cents respectively for these two weeks.

In Liverpool, prices of all of the more important growths of cotton declined. The greatest decline occurred in Egyptian, both Sakellaridis and Uppers, and the smallest decline was in Peruvian. The declines from September 19 to October 17 were as follows: Egyptian Sakellaridis, 1.93 cents per pound; Egyptian Uppers, 3.28 cents; American middling 1.07 cents; Indian Oomra No. 1, 0.41 cents; Brazilian Ceara, 0.57 cents; and Peruvian smooth, 0.06 cents.

Competition of non-American growths 1/ - The competitive position of American cotton as against Indian and Egyptian in continental markets during September improved considerably over August. Indian cotton has been reported as favored in purchases by Italian spinners recently, but this has been in the face of a distinct rise in the price of Indian in relation to American since the beginning of August as a result of the fall in the American market and, therefore, does not seem significant. The relative price of Indian in comparison with American was higher in September than it has been since February, 1929. Egyptian Uppers have also become relatively dearer as a result of the decline in American cotton, and in September were relatively the highest since June, 1928.

1/ Based on report dated September 22, 1930 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable October 2.

Table 1.-Bremen prices of Indian cotton in percentage of American 1/

Season	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1925-26	89	84	80	74	77	78	75	81	82	92	90
1926-27	105	108	86	92	91	87	87	90	87	84	73
1927-28	82	84	84	87	87	82	81	82	78	80	77
1928-29	79	78	78	76	74	73	72	70	68	72	72
1929-30	73	72	72	70	72	68	67	70	64	64	76

1/ Average of Bremen quotations for Fine mgd. Scindh; fine mgd. Oomra No. 2, f. st., Fine mgd. Broach, American Seed No. 1 (Punjab).

Table 2.-Prices of Egyptian Uppers at Liverpool in percentage of American at Bremen 1/

Season	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1925-26	127	127	117	108	109	105	113	112	107	107	118
1926-27	130	114	119	113	117	113	122	127	126	128	118
1927-28	120	115	117	115	119	124	120	114	108	105	104
1928-29	102	103	103	105	104	100	100	96	96	94	100
1929-30	98	97	98	104	104	100	103	101	111	108	116

1/ Bremen quotation for strict middling American, 1 1/16".

"Basis" at Bremen 1/ - Quotations of the "basis" for new crop cotton have experienced considerable recession during recent months. The decline was especially important from mid-August to mid-September and notably for 15/16" cotton of good middling and strict middling grades and for 1 1/32" and above in middling cotton. (From cable) From September 13 to October 1 the "basis" improved considerably in all qualities except middling 15/16 inch which continued to decline.

Table 3.-"Basis" for new crop, points on December, New York delivery October to December, f. o. b. Bremen 1/

Grade	Staple	May 26	June 23	July 14	July 28	Aug. 19	Sept. 15	Oct. 1
Good middling	15/16	240	225	225	210	195	165	182
	1 1/16	490	435	440	420	360	340	377
Strict middling ..	15/16	210	190	200	180	165	135	177
	1 1/16	460	370	410	365	345	320	347
Middling	15/16	170	145	160	140	145	125	117
	1 1/32	285	245	260	215	215	185	197
	1 1/16	400	310	350	325	290	260	272
Strict low middling	15/16	90	65	75	75	60	45	57
	1 1/16	-	-	210	150	220	-	-

1/ From Agricultural Commissioner Steere's report.

Futures

Cotton futures prices in New York from September 19 to October 17 declined 0.55 to 0.72 cents per pound with the greatest decline in the October contract. In New Orleans and Liverpool the futures prices were very much in line with the New York market and from September 19 to October 17 declined 0.61 to 0.74 cents and 0.65 to 0.77 cents per pound respectively. In all three of these markets the near months were somewhat weaker than the more distant months.

Stocks and movements

World visible supply

The total visible supply on October 10 according to the Commercial and Financial Chronicle, amounted to 7.2 million running bales, of which 5.4 million bales or 75.2 per cent of this total was American cotton. This compares with the total of all kinds of 5.3 million bales on the corresponding date last year and the total visible of American cotton of 3.6 million or 67.4 per cent. In other words American cotton this year constituted a 7.8 per cent greater proportion of the world total than at the same time last year.

The greatest increase in the supply of American cotton was in port stocks in the United States. These stocks constituted 42.4 per cent of the total this year compared with 30.2 per cent last year. The greatest change in the visible supply of foreign cotton was in the stocks in Alexandria, Egypt and Bombay, India, the stocks in Alexandria being considerably larger and stocks in Bombay considerably smaller this year as compared with last year.

Table 4. - World visible supply of cotton: American and other growths on October 10, 1929 and 1930

Location of stocks	American			
	1929		1930	
	Total	Percentage of total	Total	Percentage of total
	Running bales	Per cent	Running bales	Per cent
Great Britain	234,000	4.4	244,000	3.4
Continental	317,000	6.0	448,000	6.2
Afloat for Europe	532,000	10.1	566,000	7.9
Port stocks	1,596,884	30.2	3,052,226	42.4
Interior stocks	881,858	16.7	1,098,865	15.3
Exports today (Aug. 1)	---	---	400	---
Total American	3,561,742	67.4	5,409,491	75.2
East Indian, Brazilian, etc.				
Great Britain	437,000	8.3	465,000	6.4
Continental	90,000	1.7	116,000	1.6
Indian afloat for Europe	104,000	2.0	72,000	1.0
Egyptian, Brazilian, etc, afloat	149,000	2.8	108,000	1.5
Alexandria, Egypt	240,000	4.5	517,000	7.2
Bombay, India	705,000	13.3	514,000	7.1
Total East Indian, Brazilian etc.	1,725,000	32.6	1,792,000	24.8
Total visible supply	5,286,742	100.0	7,201,491	100.0

Compiled from the Commercial and Financial Chronicle.

Exports of American cotton

Exports of domestic cotton during September, 1930 amounted to 903,000 running bales compared with 726,000 bales during September last year and 810,000 bales in September 1928 and were the largest for the month of September since 1913, according to the Bureau of the Census. Exports during September this year to France, Germany, and Japan were above last year, whereas exports to the United Kingdom, Italy and other European countries were below September last year. These large exports indicate that most foreign spinners are taking advantage of the present low price of American cotton and are obtaining supplies for future need.

Table 5 - Cotton: Exports from the United States during September by countries, 1925-1930

Year	United Kingdom	France	Italy	Germany	Other Europe	Japan	All other countries	Total
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
1925	183	64	47	248	128	65	15	750
1926	181	69	50	266	126	76	21	789
1927	64	79	27	255	105	77	13	620
1928	90	84	68	249	150	140	29	810
1929	139	93	84	204	92	87	27	726
1930	125	153	48	316	87	133	41	903

Compiled from reports of the Bureau of the Census.

Imports of foreign cotton

Imports of foreign cotton during September amounted to about 3,000 bales of 500 pounds gross, compared with imports during September 1929 of about 24,000 bales, 19,000 bales in 1928 and 28,000 bales in 1927, according to the Bureau of the Census. The greatest decrease in imports this year was in Egyptian cotton. While 16,000 bales were imported during September last year there were no imports from Egypt during September this year. This decline in imports from Egypt is of course due to the tariff on long staple cotton.

Into sight, port receipts, mill takings, etc

The into sight movement during September, 1930 amounted to 2.4 million running bales and with the exception of last year was the largest for the month since before 1920, according to the New Orleans Cotton Exchange. The total into sight movement during August and September this year amounted to 3,274,000 bales compared with 3,253,000 bales during

these two months last year. This was an increase of 21,000 bales during the first two months this season over last season and compares with an increase in ginnings for these two months of about 402,000 bales over last year. This seems to indicate that there is considerable holding on the part of the farmers this year. Port receipts during September amounted to 1.7 million bales compared with 1.3 million bales in September 1929 and were the largest for the month of September since prior to 1920. The overland movement and American mill takings in September this year were below those for September 1929. Stocks at ports and interior towns at the end of September were estimated by the New Orleans Exchange to be about 3.8 million bales or about 1.7 million bales more than at the end of September last year, and were the largest on record for this time of year.

Table 6 - Cotton: Movement and stocks in the United States for September, 1920-1930

Year	In sight	Port receipts	Overland	American mill takings	Stocks at ports and interior towns at end of month
	Running bales	Running bales	Running bales	Running bales	Running bales
1920	771,590	443,149	17,324	254,460	1,607,602
1921	1,145,168	667,845	106,343	447,188	2,381,859
1922	1,339,011	803,183	40,952	363,864	1,280,493
1923	1,487,208	929,134	29,402	442,511	1,052,639
1924	1,845,069	1,166,007	36,247	453,937	1,164,383
1925	2,332,283	1,373,757	54,507	473,861	1,765,945
1926	2,125,808	1,510,337	67,795	561,688	1,779,951
1927	1,939,710	1,416,582	42,800	475,481	1,289,004
1928	2,026,530	1,309,675	29,881	437,922	1,782,765
1929	2,430,663	1,339,682	94,133	529,098	2,148,508
1930	2,409,750	1,672,445	43,881	383,253	3,799,382

Compiled from reports of the New Orleans Cotton Exchange.

Textile Situation

United States

Domestic consumption of raw cotton during September showed a significant increase as compared with the low rate of activity during August. Consumption of raw cotton during September amounted to 394,000 running bales compared with 352,000 bales during August and 379,000 bales during July according to the Bureau of the Census. This increase in consumption during September over August was more than the average annual increase. During the 10-year period 1920-21 to 1929-30 the average annual increase of September over August amounted to about 2,000 bales. This compares with the increase this year of 42,000 bales. Consumption during August and September last year amounted to 559,000 bales and 546,000 bales respectively. For monthly consumption of raw cotton in the United States see accompanying Tables.

The weekly average production of standard cotton cloth in September amounted to 45.6 million yards which was an increase of 1.8 million yards over the weekly average during August, according to the Association of Cotton Textile Merchants of New York. During the two previous years for which comparable records are available the weekly average increase in production of cotton cloth during September over August was about 6.5 million yards. This indicates that the increased production during September was probably less than seasonal. This curtailed production together with a weekly average increase of 25.9 million yards in sales and 11.9 million yards in shipments resulted in a ratio of sales to production during September of 160.1 per cent and a ratio of shipments to production of 127.7 per cent. The ratio of sales to production is the largest since October 1928. The ratio of shipments to production is the largest on record of comparable data extending back as far as October 1927. Stocks of standard cotton cloth decreased more than 50.0 million yards or 11.4 per cent during September. This decrease in stocks is the largest for any month on record. Unfilled orders increased 26.1 per cent during September and were the largest since the end of April.

Table 7.-Cotton, all kinds 1/: Consumption in United States 1912-13 to 1930-31

Season beginning Aug. 1	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Total 2/
	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/	1,000 running bales 3/
1912-13	---	412	484	449	423	510	448	462	479	482	441	462	5051
1913-14	432	442	512	456	456	517	455	493	500	467	446	448	5626
1914-15	384	415	452	421	451	468	463	525	514	494	515	497	5597
1915-16	464	499	501	515	555	542	541	614	532	576	571	490	6398
1916-17	558	528	551	583	537	601	547	604	552	615	574	538	6789
1917-18	569	522	585	590	516	524	510	571	544	576	516	541	6566
1918-19	535	490	440	456	473	557	433	435	476	488	474	510	5766
1919-20	497	491	556	491	512	592	516	576	567	541	555	525	6420
1920-21	484	458	401	333	295	366	395	438	409	441	462	410	4893
1921-22	467	485	494	528	511	527	472	520	444	495	509	458	5910
1922-23	526	494	534	579	529	610	567	624	577	621	542	463	6666
1923-24	492	486	543	533	464	578	509	486	479	414	550	547	5681
1924-25	557	438	534	495	534	594	551	583	597	552	494	484	6193
1925-26	451	485	514	543	576	582	565	636	578	516	519	462	6456
1926-27	500	571	568	584	603	603	590	693	618	630	660	570	7190
1927-28	635	628	614	627	559	586	573	581	525	577	510	440	6834
1928-29	526	492	616	611	533	668	595	652	652	669	569	547	7091
1929-30	559	546	640	541	453	576	494	508	532	473	405	379	6106
1930-31	352	394											

Compiled from "Cotton Production and Distribution" issued by the Bureau of the Census.

1/ Excluding linters. 2/ Sum of monthly figures may not check to the total because both totals and the monthly figures were rounded to thousands. 3/ Running bales counting round bales as half bales, foreign cotton in 500 pound bales.

Table 8.-Cotton, American 1/: Consumption in United States 1912-13 to 1930-31

Season beginning Aug. 1	Aug. 1,000 running bales 3/	Sept. 1,000 running bales 3/	Oct. 1,000 running bales 3/	Nov. 1,000 running bales 3/	Dec. 1,000 running bales 3/	Jan. 1,000 running bales 3/	Feb. 1,000 running bales 3/	Mar. 1,000 running bales 3/	Apr. 1,000 running bales 3/	May 1,000 running bales 3/	June 1,000 running bales 3/	July 1,000 running bales 3/	Total 2/ 1,000 running bales 3/
1912-13	---	393	461	431	402	485	427	442	457	462	425	447	4832
1913-14	419	428	494	443	443	502	442	475	389	447	429	431	5343
1914-15	369	401	436	407	434	450	444	503	491	472	492	475	5375
1915-16	442	475	475	488	525	513	514	582	507	549	544	466	6081
1916-17	532	503	522	554	511	571	521	575	528	587	550	516	6470
1917-18	548	504	566	571	501	509	496	557	532	562	504	530	6383
1918-19	524	479	430	445	459	539	418	418	458	472	457	491	5589
1919-20	476	468	527	464	479	555	484	535	522	500	509	485	6003
1920-21	451	432	383	319	285	355	383	424	393	421	441	390	4677
1921-22	442	464	470	498	481	500	447	494	421	472	486	438	5613
1922-23	504	476	513	552	502	577	534	589	542	583	513	437	6322
1923-24	467	462	514	505	436	545	477	454	448	389	329	327	5353
1924-25	339	416	511	478	511	568	526	559	571	508	470	460	5917
1925-26	429	457	519	525	554	557	540	607	554	494	497	442	6176
1926-27	478	542	541	562	582	580	567	665	593	602	626	542	6980
1927-28	605	601	587	600	514	559	546	557	502	555	489	420	6535
1928-29	502	470	589	588	511	639	569	604	604	639	544	519	6778
1929-30	530	519	610	516	428	549	469	483	504	449	583	530	5803
1930-31	339	379											

Compiled from "Cotton Production and Distribution" issued by the Bureau of the Census.

1/ Excluding linters.

2/ Sum of monthly figures may not check to the total because both the totals and the monthly figures were rounded to thousands.

3/ Running bales counting round bales as half bales.

Great Britain

The textile situation in Great Britain during September continued unsatisfactory with exports of cotton piece goods amounting to 142.7 million square yards compared with 168.0 million square yards during August and 237.5 million square yards during September last year. This was 2.9 million square yards below the previous pre-war low which was made in May, 1921. Exports of cotton yarns during September totaled 9.1 million pounds, 1.1 million pounds below August and 1.1 million pounds below September, 1929 and were the lowest since July 1921. Cabled reports of the first three weeks in October indicate a situation slightly improved. A cable from Manchester on October 17 states that there is a more active demand for yarn and cloth due to larger buying for India and China.

Consumption of all kinds of cotton in Great Britain for the 1929-30 season amounted to 2,445,000 bales of approximately 500 pounds, which compares with 2,852,000 bales during the previous season and was the lowest since the 1920-21 season. Consumption of American cotton in Great Britain during the past season amounted to 1,474,000 running bales compared with 1,910,000 during the 1928-29 season and was 204,000 bales lower than the 1920-21 season.

Table 9.-Cotton: Mill consumption of American and all growths in Great Britain, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	1,678	2,112
1921-22	2,275	2,964
1922-23	1,919	2,850
1923-24	1,695	2,815
1924-25	2,344	3,336
1925-26	2,093	3,084
1926-27	2,077	3,051
1927-28	1,949	2,933
1928-29	1,910	2,852
1929-30	1,474	2,445

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Continental Europe 1/

The long prevailing depression in the continental cotton textile industry persisted in September over the Continent as a whole, and offered little promise of early general improvement even though the situation was not without a few brighter spots. It was evident that spinners were generally more ready to buy raw material at current prices, and stocks of goods were known to be much reduced, but the persistence of slow distributor and consumer demand, and prospects that business conditions would remain poor this winter, were causing continued uncertainty and reluctance all along the line.

The volume of new business booked by spinning and weaving establishments into September was generally restricted for the Continent as a whole, although France reported a good flow of business and a rising tendency from previous low levels developed in Poland. Germany, Czechoslovakia and Austria continued to be the center of the depression, but sales conditions in Italy were also very difficult with export business declining and domestic market prospects impaired by increasing business depression. Following the resumption of work in the textile strike centers in France, a good volume of both yarn and cloth sales was reported, increasing cloth trade with the colonial markets being especially noted.

Mill activity for Europe as a whole showed little change from previous levels, during August and the first half of September, notwithstanding some seasonal improvement in certain places. Generally speaking, activity remained much curtailed in Central and Southern Europe, despite small seasonal pick-ups, but continued relatively high in France. The July figures recently available for Germany show an upturn after a considerable decline in previous months.

Continental spinner demand for raw cotton in recent weeks offers one of the few encouragements to be found in a situation of general depression. In spite of relatively unsatisfactory tendencies in mill activity and sales of mill output, the inquiry for raw material by spinners recently has been good in most of the important continental spinning centers, but particularly Germany and France. Spinners appear to regard present levels of raw cotton as an attractive opportunity to buy and there is some tendency evident to cover future requirements, even for the more distant months of the new cotton year, though the volume of purchases as yet has not assumed the proportions of 1926. Cotton merchants have also made a fair volume of c.i.f. import purchases in recent weeks, doubtless a direct result of the fact that the trade has been better satisfied with raw cotton

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1/ Based on report dated September 22, 1930 from Agricultural Commissioner L. V. Steere at Berlin, supplemented by cable October 2.

sales in recent weeks than it has for many months. The increased interest apparent in raw material on the part of manufacturers and the trade is based, however, not only on current favorable prices, but also upon general expectation of real improvement in yarn and cloth sales in coming months as a result of the reduced levels of cotton yarn and goods stocks in the important textile centers and in the hands of the distributing trade. This more liberal buying policy undoubtedly also anticipates a stimulus to the demand for goods from improved economic conditions later on. Generally speaking, the situation bears considerable resemblance to that of 1926, when, aided by unusually low prices, the continental cotton industry was one of the first to show activity following the business depression in previous months.

The competition of foreign growths with American cotton developed strikingly for the season 1929-30 as there was a further shift in consumption from American to other growths. The decline in mill consumption of American cotton was greater than the fall in total mill consumption, total consumption of raw cotton dropping from 5,845,000 bales in 1928-29 to 5,595,000 in 1929-30 or 250,000 bales of 500 pounds gross, while mill consumption of American cotton showed a decline of 470,000 bales. Sundries increased 100,000, Indian 90,000, and Egyptian 30,000 bales of 500 pounds gross. This is a continuation of the tendency evident since 1927-28 and the striking figures this year can be attributed directly to the unusually low levels of prices prevailing for foreign cottons.

Table 10 - Cotton: Mill consumption of American and all growths on the Continent of Europe, 1926-27 to 1929-30

Season beginning Aug. 1	American	Indian	Egyptian	Sundries	Total
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1926-27	4,407	684	485	162	5,738
1927-28	4,650	770	473	185	6,083
1928-29	4,239	924	506	176	5,845
1929-30	3,772	1,010	537	276	5,595

Figures of the International Federation in running bales converted into 478 pounds net or 500 pounds gross bales on basis of the following coefficients: 1 Indian bale = .8 American bales; 1 Egyptian bale = 1.48 American bales; 1 "Sundries" bale = .72 American bales.

Table 11 - Cotton: Continental mill consumption of various growths of cotton expressed as a percentage of the total, 1926-27 to 1929-30

Year beginning Aug. 1	American	Indian	Egyptian	Sundries	Total
	Per cent	Per cent	Per cent	Per cent	Per cent
1926-27	77	12	8	3	100
1927-28	76	13	8	3	100
1928-29	73	16	8	3	100
1929-30	67	18	10	5	100

Continental mill consumption of cotton 1929-30

The cotton year 1929-30 brought a further decrease in mill consumption on the Continent and restricted mill activity. Some of the smaller countries showed moderate increases, for example, Belgium, Holland, Spain and the group comprising Hungary, the Scandinavian countries, Finland and Portugal, but important declines occurred in all of the leading manufacturing countries. The countries reporting some increase in mill consumption and hence mill activity were generally those where economic conditions during 1929-30 were still relatively good. This is substantiation of the fact that the 1929-30 depression in the cotton trade is characterized by unusual weight from the demand side. Current low levels of general business were not anticipated nine or ten months ago.

Table 12 - Cotton: Mill consumption in continental countries, 1927-28 to 1929-30

Country	1927-28	1928-29	1929-30
	1,000 running bales	1,000 running bales	1,000 running bales
Germany	1,585	1,378	1,323
France	1,180	1,227	1,171
Italy	954	1,042	1,001
Czechoslovakia	546	495	461
Belgium	424	452	461
Spain	413	404	412
Poland	360	251	225
Switzerland	116	105	101
Holland	163	190	206
Austria	164	149	117
Sweden, Portugal			
Finland, Denmark, Norway, Hungary	307	237	302
Total 16 Countries	6,232	5,980	5,780

Germany

Difficult conditions continued in the German cotton textile industry through August and early September, with orders remaining on an unsatisfactory level and occupation only slightly above the low point in the first half of the year.

Spinning mills during August reported no real betterment in new sales, notwithstanding a small revival at the end of the month and early in September in southern Germany and parts of Saxony. In the textile centers of western Germany, further declines in new business occurred. Unfilled orders are quite generally on a very low level as a result of these conditions. The level of spinning mill activity also remained low though there was a considerable pick-up in July following the sharp drop in June.

During August cloth mills also reported unfavorable sales, a situation which was aggravated by seasonal caution of buyers. Unfilled orders are now materially below last year and below the worst months of 1928. It is generally maintained by German weavers that the decline in raw cotton added to other difficulties in the sale of fabrics. Weaving mill activity is now also low but registered a seasonal improvement in July to a level somewhat above the same month a year ago.

Imports of cotton yarns during August amounted to 4,949,000 pounds compared with 4,844,000 pounds during July and 6,583,000 pounds during August last year. Imports of woven cotton materials during August declined 203,000 pounds as compared with July, but were only 24,000 pounds below August 1929. Thus the situation in the cotton textile industry in Germany is still very unfavorable, although ground for encouragement exists. Stocks of yarn and goods with the industry and in the hands of the trade remain very low, undoubtedly near a minimum from an operating standpoint. Furthermore, stocks with the retail trade are small, a fact proved by demands for the shortest possible delivery dates on the part of retailers engaged in purchases. In addition, the turnover in the textile retail trade has recently shown a slight rise in places.

Further ground for optimism is also to be found in the fact that spinner buying of raw cotton in Bremen has continued rather active through August and early September, with spinners calling freely on declines. The present raw cotton price level is considered attractive by German spinners, and spot and c.i.f. import purchases of the dealers have also been of fair volume in recent weeks.

The following Table gives the cotton consumption figures of the German cotton industry in 1929-30 as shown in data published by the International Federation of Masters Cotton Spinners' and Manufacturers' Associations, (converted to bales of 500 pounds gross).

Table 13 - Cotton: Mill consumption of American and all growths in Germany, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	644	860
1921-22	911	1,162
1922-23	784	1,030
1923-24	696	946
1924-25	916	1,189
1925-26	884	1,125
1926-27	1,214	1,468
1927-28	1,276	1,564
1928-29	1,024	1,333
1929-30	923	1,292

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

The decline in consumption of American cotton was about twice as large as the decline in total mill consumption, in other words, consumption of Indian, Egyptian and exotic cotton showed a substantial increase. The further neglect of American cotton because of price relationships early in the season favoring other growths is also evident in official German import statistics for the first half of 1930 which show imports of American cotton amounting to 67 per cent of the total imports compared with 75 per cent during the first half of 1920; 20 per cent for Indian cotton compared with 17 per cent, and 8 per cent for Egyptian cotton compared with 4 per cent during the first half of 1929.

Austria and Czechoslovakia

Reports from Austria and Czechoslovakia are still very pessimistic and indicate that no improvement has taken place in the last half of August and the first three weeks in September. The National Bank of Prague in its last report states that the situation of the textile mills continues one of the most critical problems of the general economic depression. Private reports from Austria also indicate very unsatisfactory new business as well as a low level in mill activity, with weavers reporting that business was impaired by the decline on the raw cotton market. As both the industry and the trade have merely covered immediate requirements during the past few months, however, stocks of yarn and goods in both Austria and Czechoslovakia in the hands of the trade and industry are small. An indication of export market developments is well shown by the fact that Austrian cotton yarn exports during the first half of 1930 were 35 per cent less than during the first half of 1929, with Rumania and Yugoslavia figuring as the most important customers at present. Exports during July, however, improved considerably. Yarn exports amounted to 3,909,000 pounds, an increase of 439,000 pounds over June and 97,000 pounds over July 1929. Total exports for the 1929-30 season amounted to 50.6 million pounds compared with 47.8 million pounds the previous season. Exports of cotton fabrics during July amounted to 5,569,000 pounds compared with 4,067,000 pounds during June and 6,362,000 pounds during July last year. Cotton fabric exports for the 1929-30 season totaled 78.9 million pounds against 85.5 million pounds for the season 1928-29.

Consumption figures for Czechoslovakia and Austria reveal the unsatisfactory conditions during the past cotton year very clearly, with both countries also turning from American to Non-American growths.

Table 14.-Cotton: Mill consumption of American and all growths in Czechoslovakia, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	208	254
1921-22	309	366
1922-23	178	244
1923-24	267	399
1924-25	342	467
1925-26	353	466
1926-27	408	500
1927-28	434	542
1928-29	377	487
1929-30	321	444

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Table 15.-Cotton: Mill consumption of American and all growths in Austria, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	54	85
1921-22	86	109
1922-23	61	98
1923-24	65	117
1924-25	85	128
1925-26	104	151
1926-27	113	144
1927-28	122	160
1928-29	103	143
1929-30	74	111

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Hungary

Hungary continues to report relatively favorable business conditions for both spinning and weaving mills, as well as satisfactory levels of mill activity.

France

The outlook in France has been somewhat improved recently by the termination of the textile strikes as well as a revival of demand for cotton goods from the French colonies. This means that a relatively favorable situation still prevails in the French industry, because unfilled orders as well as mill activity were previously on satisfactory levels though somewhat reduced as a result of the extensive strikes.

Following the settlement of the labor troubles in the Lille region during the second half of August, strikes at Roubaix-Tourcoing and other regions came to an end around the middle of September, and the general feeling of the trade is now somewhat more optimistic. A good current of yarn business was registered at Rouen, Epinal and Mulhouse during the latter part of August and early in September, when Roubaix-Tourcoing was still complaining of an accumulation of yarn stocks and the possibility of a reduction in working hours. Later, the stiuation improved at Roubaix when quite important sales were effected. At the same time, weaving mills reported a good volume of new business with grey as well as colored goods out of stocks involved in the new sales which extended to the end of the year and even into 1931. Recently improved demand for cotton goods at Epinal and Roubaix on the part of Algeria has been favorably commented upon in the outlook for future developments.

Spinner demand for raw cotton, while somewhat quiet late in August, showed a revival early in September, when price fixing was also important. It is rumored that spinner interest extended as far as May 1931.

Despite re ively favorable conditions in the French cotton textile industry, the year 1929-30 also brought a decline in total raw cotton consumption, with a shift from American to other cottons, as in other countries. French consumption of Egyptian staples has slumped however, in the last half of the season.

Table 16.-Cotton: Mill consumption of American and all growths in France, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	583	722
1921-22	799	1,035
1922-23	790	1,154
1923-24	700	1,056
1924-25	806	1,127
1925-26	835	1,176
1926-27	825	1,170
1927-28	829	1,169
1928-29	824	1,212
1929-30	728	1,155

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Italy

Conditions in the Italian cotton textile industry are unchanged and relatively unsatisfactory. New business of both spinning and weaving mills is reported rather poor, and unfilled orders considerably below last year, while stocks of yarn as well as cotton goods are materially above the same time a year ago. Sales have recently continued below current levels of production with stocks showing a tendency to rise further. The activity of spinning and weaving mills is now substantially below last year.

Despite the unfavorable business outlook, the demand by Italian spinners at the beginning of September for spot and c.i.f. cotton was of fair volume, and some large purchases of Indian cotton were made toward the middle of the month. Other growths appeared neglected.

Mill consumption of raw cotton in Italy shows a decline for 1929-30 of about 5 per cent, with the decline in consumption of American cotton more than accounting for the decrease in total mill consumption.

Table 17.-Cotton: Mill consumption of American and all growths in Italy, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	562	763
1921-22	573	769
1922-23	601	865
1923-24	547	906
1924-25	639	963
1925-26	712	1,004
1926-27	680	913
1927-28	707	935
1928-29	745	1,017
1929-30	664	967

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Belgium

While total mill consumption of cotton in Belgium in 1929-30 remained about level with the previous cotton year, consumption of American cotton fell off about 20 per cent.

Table 18.-Cotton: Mill consumption of American and all growths in Belgium, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	113	192
1921-22	136	234
1922-23	129	245
1923-24	121	265
1924-25	149	274
1925-26	177	319
1926-27	207	333
1927-28	215	380
1928-29	219	405
1929-30	180	402

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Poland

The slight improvement in the cotton textile situation reported for Poland during the last two months has continued and activity has shown further increase due to seasonal tendencies. However, the price raising policy of the yarn cartel has found strong opposition from yarn consuming manufacturers because it has impaired the competitive strength of Polish cotton fabrics in foreign markets. Following the recent increase in spinning activity from 46 to 51 working hours per week, another increase from 51 to 58 hours has taken place. In other words the rate of cotton consumption has been advanced about 25 per cent.

Both the weaving mills and the yarn trade are now in opposition to the spinners' cartel and are discussing a cartel of the weaving mills, at the same time urging the government to grant a duty-free yarn import contingent in order to relieve the weaving mills from the conditions brought about by the price policy of the yarn cartel. Czechoslovakian and Austrian banks are said to have offered easy credit terms to Polish weavers for purchases of cotton yarn in these countries. Recently, however, spinners and weavers seem to have reached a somewhat better understanding of their mutual interests. In general it seems that the cotton textile situation in Poland has somewhat further improved. The heavy decline in mill consumption of cotton which occurred in Poland during 1929-30 all fell to American cotton.

Table 19.-Cotton: Mill consumption of American and all growths in Poland, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	97	129
1921-22	170	210
1922-23	187	219
1923-24	129	173
1924-25	164	203
1925-26	158	186
1926-27	271	317
1927-28	318	358
1928-29	210	254
1929-30	184	222

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

Japan

The textile situation in Japan was somewhat brighter toward the end of September because of the decrease in stocks of yarn and cloth, according to a report from Consul Dickover at Kobe. This report also states that large orders for cloth have been received from China and India. Output of yarn in August amounted to only 72.4 million pounds, but it is feared that production will increase with the brighter prospects. This is the result of this fear on the part of the mill owners. They have agreed to a curtailment of output of 7 per cent from October 1 to the end of the year. Nominal curtailment will then be 34 per cent, but actual curtailment will be about 30 per cent and monthly production about 76.0 million pounds. As a result of the decrease in stocks prices of yarn have risen and by this curtailment in production the mills hope to maintain these high prices. Cloth production in August amounted to 95 million yards which was a decrease from previous months. Exports of cloth during August increased.

The cable from the American Consuler's Office at Kobe on October 22, reported that the Japanese mill situation was less buoyant during the previous 30 days. Demand, however, was reported fairly steady due principally to orders for home consumption. The curtailed production reported in the September cable has gone into effect and the mills are apparently comfortably fixed in this respect until the end of the current calendar year. Prices of piece goods and yarn are now somewhat higher and will yield a fair margin of profit to the mills. During the first of October prices of spool yarns for immediate delivery were 17 per cent higher than for April delivery due to scarcity of stocks. The monthly production of yarn which is running below 80 million pounds is probably insufficient for Japanese requirement. Yarn production during September amounted to 78 million pounds.

Table 20.-Cotton: Mill consumption of American and all growths in Japan, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21	622	1,847
1921-22	796	2,088
1922-23	723	2,247
1923-24	579	2,043
1924-25	689	2,182
1925-26	882	2,479
1926-27	1,132	2,562
1927-28	1,078	2,312
1928-29	1,100	2,487
1929-30	1,092	2,678

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

In Japan the consumption of all kinds of cotton in the 1929-30 season amounted to 2,678,000 bales of approximately 500 pounds. This was an increase of 191,000 bales over the previous season. Consumption of American cotton in Japan during the past season, however, was slightly below that for the 1928-29 season amounting to 1,092,000 running bales.

China

Stocks of Chinese yarn have increased with the exception of a few mills due to day and night operations, according to a cable from Agricultural Commissioner Nyhus at Shanghai on September 23. As a result of these larger stocks and of political conditions, the trend of yarn prices have been somewhat downward. Military and political events are speculative factors in the market outlook, but mill owners are confident that if the country could have reasonably peaceful conditions for a time yarn would move quickly into the interior and improve the general situation. During the week prior to September 23 the demand for yarns improved and prices advanced considerably as a result of improved social conditions in Northern China with exchange somewhat better. Piece goods prices are moving closer to current replacement costs and the market is considered in a healthier condition than formerly. In the Japanese mills the production for many months ahead has already been sold.

The decline in yarn prices continued into October according to cable from Commissioner Nyhus on October 21. This was a disappointment to many in the trade who expected a substantial improvement with the improvement in the civil conditions in Northern China. Deliveries of yarn, on the other hand, have been quite satisfactory and mills are running almost to capacity without stocks becoming excessive. Deliveries in some lines of piece goods have been good and the market is steadily improving. The exchange rates have brought about increased prices of piece goods and the weaving industry in China has had a very flourishing period. As a result, several mills are adding new looms.

Table 21.-Cotton: Mill consumption of American and all growths in China, 1920-21 to 1929-30

Season beginning Aug. 1	American	All growths
	1,000 bales of 500 lbs.	1,000 bales of 500 lbs.
1920-21		502
1921-22	132	1,420
1922-23	110	1,540
1923-24	78	1,505
1924-25	71	1,542
1925-26	120	1,657
1926-27	274	1,828
1927-28	297	1,954
1928-29	279	1,877
1929-30	292	2,205

Figures of International Federation of Master Cotton Spinners in running bales converted to bales of approximately 500 pounds gross.

The total consumption of all kinds of cotton in China during the 1929-30 season amounted to 2,205,000 bales of approximately 500 pounds compared with 1,877,000 the previous season. Consumption of American cotton the past season amounted to 292,000 bales compared with 279,000 bales during the 1928-29 season and 297,000 during the 1927-28 season.

Production, acreage and crop condition reports

United States

Production estimate - The Crop Reporting Board of the Bureau of Agricultural Economics from the conditions of the cotton crop on October 1 forecast the 1930 crop at 14,486,000 bales of 500 pounds gross. This was 146,000 bales or 1 per cent above the forecast of a month earlier and approximately 342,000 bales below production last year. Crop prospects during September declined in Texas, Mississippi, Tennessee and Virginia, but this was more than offset by increases in other States, particularly Georgia, North Carolina and Alabama. (See accompanying Table).

Table 22.- 1930 United States cotton crop: Indicated production by condition on October 1 with comparisons 1/

State	1929 crop 2/	1930 crop indicated by conditions Sept. 1	1930 crop indicated by conditions Oct. 1
	1,000 bales	1,000 bales	1,000 bales
Va.	48	40	34
N. C.	747	819	870
S. C.	830	997	1,010
Ga.	1,343	1,500	1,580
Fla.	29	36	44
Mo.	220	148	150
Tenn.	515	437	420
Ala.	1,342	1,358	1,400
Miss.	1,915	1,685	1,660
La.	809	649	665
Tex.	3,940	4,321	4,275
Okla.	1,143	925	925
Ark.	1,435	940	960
N. Mex.	90	97	100
Ariz.	153	159	165
Calif.	260	224	224
Others	9	5	4
U. S.	14,828	14,340	14,486

1/ In bales of 500 pounds gross weight.
2/ Allowances made for cross State ginnings.

Weather since October 1 - For the week ended October 7 the dry, cool weather was unusually favorable for picking and ginning cotton over practically all sections east of the Mississippi River according to the Weather Bureau. West of the Mississippi pickings and ginnings made good advance the first half of the week, but rains stopped field work the latter part, and picking was at a standstill in most places. The following week conditions were still favorable in the Eastern belt, except for showers near its close and picking made very good progress. In the Mississippi Valley and to the westward there was some complaint of rains and wetness beating down cotton and staining staple. The western part of the Cotton Belt reported considerable rainfall and cloudy weather the first part of the week which retarded picking and ginning.

Ginnings from August 1, to September 30 - According to reports of the Bureau of the Census ginnings from August 1 to September 30 this year were 6,305,000 running bales compared with 5,903,000 bales ginned during the same period last year and 4,961,000 bales during 1928. From the accompanying Table it may be seen that while the ginnings in Texas and Oklahoma are unusually advanced, in Alabama and Mississippi the per cent of the crop ginned to October 1 is less than usual. The per cent of the crop ginned in other sections is about average for this date.

Table 23.-Cotton: Ginning by States from August 1 to October 1, 1928-1930

State	August 1 to October 1		
	1928	1929	1930
	Running bales 1/	Running bales 1/	Running bales 1/
Ala.	335,969	578,128	582,561
Ariz.	27,185	18,439	23,500
Ark.	361,775	539,038	264,814
Calif.	20,280	13,524	15,473
Fla.	11,265	24,868	39,886
Ga.	308,886	578,239	841,969
La.	370,343	542,428	399,558
Miss.	560,276	908,301	532,096
Mo.	13,575	23,073	52,902
N. Mex.	6,129	8,381	16,950
N. C.	60,086	50,189	198,454
Okla.	268,081	255,092	276,966
S. C.	120,670	162,599	377,688
Tenn.	64,757	71,476	87,492
Tex.	2,430,885	2,128,587	2,584,806
Va.	968	344	7,896
All other States	230	499	1,597
United States	4,961,360	5,903,265	6,304,608

Report of Bureau of the Census.
1/ Counting round as half bales and excluding linters.

World summary of acreage and production

Cotton acreage in countries reporting to date totals 0.8 per cent below last year. The decreases were in the United States and India. Of the foreign countries, Russia is the most significant producer having reported production to date. Following a 47 per cent increase in acreage, the Russian crop is forecast at 26 per cent above last year. Recent reports from Agricultural Commissioner Steere at Berlin indicate that final figures may show the increase in the Russian crop to be somewhat greater than now forecast.

Table 24 - Cotton: Acreage and production in countries reporting for 1930-31, with comparisons

Item and country	Average 1909-10 to 1913-14	1928-29	1929-30	1930-31	Percentage 1930-31 is of 1929-30
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
ACREAGE					
United States	34,152	45,341	45,793	44,791	97.8
India 1/	12,838	15,196	15,885	14,875	93.6
Russia (Asiatic)	1,569	2,261	2,560	3,768	147.2
Egypt	1,743	1,805	1,912	2,162	113.1
Alaouite (Syria and Lebanon)	---	9	17	37	217.6
Chosen	146	503	459	463	100.9
Total above countries	50,448	65,115	66,626	66,096	99.2
Estimated world total excluding China	62,500	82,400	81,970		
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	Per cent
PRODUCTION 2/					
United States	13,033	14,478	14,828	14,486	97.7
Russia	905	1,137	1,351	3/ 1,700	125.8
Algeria	1	6	8	6	75.0
Greece	13	15	35	40	114.3
Union of South Africa		10	8	12	150.0
Total above countries		15,646	16,230	16,244	100.1
Estimated world total including China		26,100	26,200		

Official sources and International Institute of Agriculture except as noted from information received up to October 23.

1/ First estimate which includes only area planted up to August 1.
2/ In bales of 478 pounds net.
3/ Estimate of the Soviet Government as reported by Agricultural Commissioner Steere of Berlin.

India

The area planted to cotton in India up to August 1 was estimated to be 14,875,000 acres, as compared with 15,865,000 acres planted to the same date last year according to information received from the Department of Commercial Intelligence and Statistics at Calcutta. During the last 15 years the estimate of the area planted to cotton in India up to August 1 has averaged 54.2 per cent of the final estimate, the range being from 47.5 per cent to 66.7 per cent of the final estimate. The first estimate of Indian production is expected about December 15.

Egypt

It is estimated that 2,162,000 acres were planted to cotton in Egypt this season, according to the International Institute of Agriculture at Rome. This is an increase of 250,000 acres or 13.1 per cent over last season's acreage. The first estimate of production this year however, of 1,743,000 bales of 478 pounds net is an increase of only 18,000 bales or 1.0 per cent of the final estimate of last year's crop. The estimated production of Sakellarides is 480,000 bales this year compared with 530,000 bales last year or a decrease of 9.2 per cent.

Russia

The latest estimates indicate that the 1930 Russian cotton acreage has fallen considerable below expectations. The area is now reported at 3,768,000 acres compared with the preliminary figure of the International Institute of Agriculture of 4,366,000 acres reported at the end of July and 2,560,000 acres planted in 1929, according to Agricultural Commissioner Steere at Berlin. This indicates an increase of 1,206,000 acres or 47 per cent whereas the earlier report had indicated an acreage increase of about 70 per cent. Recent estimates for the new crop, according to Mr. Steere indicate a production of about 1,700,000 bales of 478 pounds compared with a production last year of 1,351,000 bales, an increase of around 26 per cent. It appears, however, that since a considerable share of this year's acreage was planted rather late the weather conditions at the end of September and throughout most of October will be of great importance. Commissioner Steere more recently cabled that the indications were for a crop somewhat larger than is reported here.

With the harvesting of the new crop, shortage of storage, transportation and picking facilities are expected to be serious problems. Shortage of labor for the harvesting of the crop will be the most pressing, as last year considerable quantities of cotton remained in the fields because of the labor problem.

Miscellaneous news

"New uses for cotton" committee reports progress

A summary of the work of the last three years of the New Uses for Cotton Committee, which is composed of representatives of the Department of

Agriculture, Department of Commerce, and Cotton Textile Institute, was presented at a meeting of the Committee in Washington, D. C., September 30.

Most promising developments were reported in promoting the retail packaging of potatoes and oranges in cotton mesh bags, and in the use of cotton fabric as a binder for roadways. Several South and South-western States were reported as experimenting with the fabric in road construction. Preliminary research indicates that the fabric prevents splitting of the edges of roads, and it is believed that the goods has a similar value in constructing shoulders to roads.

Among the many new and extended uses for cotton, reports were submitted on products such as tarpaulins for athletic fields, style fabrics, posters and billboards, cotton letterheads, fireproof fabrics, play tents, model yachts, white cotton sleeves for traffic officers, and a proposed rubberized cotton device to prevent the formation of ice on airplane wings and struts. A campaign is to be waged looking toward the promotion of cotton goods during the coming Christmas holidays.

The use of cotton bagging instead of jute as a cotton bale cover has been the subject of considerable research by the Committee. Sufficient technological work has been done in this connection, it was brought out at the meeting, to make practicable the use of cotton bagging if and when cotton is sold on a net weight basis.

Cotton improvement program

The Bureau of Plant Industry in cooperation with the Bureau of Agricultural Economics and the State agricultural colleges and experiment stations has begun a field study of cotton production in organized communities in the Southeastern States, with special attention to the economic and socialogical phases. The object of the study is to determine the advantages to cotton growers from "one-variety communities", and to develop methods of adapting this system of production to sections of the Cotton Belt in which local conditions vary.

Cotton improvement on a community basis was initiated in California and Arizona several years ago and the feasibility of the plan in the southwestern communities has been demonstrated. Uniformity of staple is the most important factor in determining the quality of cotton and to have uniform crops of cotton the seed must be kept pure. Experience has shown that uniformity of fiber can not be maintained unless communities grow only one variety. In communities producing several varieties of cotton, the seed became mixed at the gin, the varieties cross-pollinated in the fields, and the seed stocks rapidly deteriorated.

Alabama adopts farm program for State

A conference of agricultural workers, farmers, bankers, and merchants was held at Montgomery, Alabama, October 6, at the invitation of Governor Graves, to develop a program of action in dealing with the present cotton situation. The conference passed the following resolutions:

WHEREAS, present low prices of cotton are deplorable; and are causing drastic reductions in the incomes of Alabama farmers, and are lowering the standards of living of cotton growers, thereby injuring the agriculture of the South and business and industry of the whole nation; and

WHEREAS, the present situation requires that the greatest possible relief be obtained in the shortest possible time; and that methods be developed and put into operation to prevent a recurrence of such situations; and

WHEREAS, present low prices are largely due to a world-wide business depression which lowered the demand for American cotton, causing consumption in this country to fall off a million bales in the past season, and the world total consumption of American cotton to fall to 13,000,000 bales against 15,500,000 bales the previous season and a production of 14,800,000 bales last year, leaving the carry-over in this country the largest at the beginning of the present season that it has been since 1921, and increasing the world total carry-over of American cotton by approximately 1,500,000 bales which carry-over has been a burden on the market; and

WHEREAS, present cotton prices are far below average cost of production; THEREFORE BE IT RESOLVED:

1. That as an immediate step farmers be urged to market their cotton through the cooperative association whereby they can obtain 90 per cent of the market price now and profit from any subsequent rises in the future; and
2. That cotton production be reduced until consumption increases and stocks are reduced so that cotton can be sold at a profit; and
3. That the reduction in total production be accomplished by the readjustment of acreages so that some lands previously devoted to cotton be used for other purposes; and
4. That advantage be taken of the fact that many crops other than cotton can be grown at a profit and will yield a cash income; and
5. That in this problem of readjustment of acreage we realize that the percentage of shifting of cotton acreage to other crops will vary with the individual and the section but that the net result should be that the entire belt shall not plant more than forty million acreage. Any acreage above forty million acres planted in 1931 will be dangerous and a menace to our economic welfare.
6. That as hogs, cattle, dairy products, poultry and eggs can be produced at a profit by many farmers and readily marketed for cash, these enterprises be encouraged; and
7. That more feed be produced at home since large amounts are purchased which can be produced more cheaply by the individual farmer; and
8. That Alabama farmers grow more of their own food, thereby saving money and improving their standard of living, and that immediate steps be taken to relieve the present emergency by planting winter legumes, fall grains, and fall garden crops; and
9. That land which is too poor, or too rough, or is in areas too small for profitable production of cultivated crops and pastures be allowed to grow up to forest, thereby removing "marginal lands" from the production of crops and returning it to the timber area, thus increasing the production of timber of which there is a steadily diminishing

supply while prices, over a long period of years, have been advancing; and

10. That production costs of cotton and all other products be reduced to a minimum by improving the condition and fertility of the soil by terracing, and growing legumes, and proper use of commercial fertilizer, and by using enough machinery and power for efficiency, by planting seed of the best varieties, by having livestock of good breeding and by practicing the best methods of planting, cultivating, and harvesting crops, and of feeding and managing animals; and

11. That the quality and staple of cotton produced be improved by planting seed of only the varieties which produce staples wanted by spinners, and which will bring a higher per acre income as these varieties are known and can be recommended by the experiment station of the Alabama Polytechnic Institute and this will reduce the production of untenderable cotton, which is now being sold by farmers at discounted prices, and which will probably be even more difficult to market in the future, and

12. That for assistance in production as well as in marketing we endorse the work of the Federal Farm Board, the American Cotton Cooperative Association, and the Alabama Farm Bureau in its various lines of work and call upon bankers and business men as well as farmers to give the Federal Farm Board and the Farm Bureau their hearty cooperation; and

13. That the Experiment Station, the Extension Service, and the Department of General Economics of the Alabama Polytechnic Institute, the Federal Farm Board, the Bureau of Agricultural Economics of the United States Department of Agriculture and the State Department of Agriculture and Industries be requested to assemble and furnish facts about prices, acreage, production, and business conditions and outlook so that farmers may have this information for consideration in making their plans for adjusting production; and that the "agricultural outlook" information furnished by the Bureau of Agricultural Economics of the United States Department of Agriculture should be given local interpretation and dissemination by State agencies so that the individual farmer can determine which crops he can most reasonably expect to grow at a profit on his own farm; and

14. That bankers, merchants, civic clubs, and other organizations, and individuals interested work together for promoting these recommendations throughout Alabama to the end that the agriculture of the State may be placed upon a sound basis, which will avoid periodic distresses and give to the efficient farmer a profit each year on his investments and expenditures and for his efforts; and

15. That we request the Alabama Extension Service, the Alabama Farm Bureau, the Alabama Bankers Association, the Division of Vocational Education of the State Department of Education, and the State Department of Agriculture and Industries to conduct district, county and local meetings throughout the State to acquaint farmers and the general public with the situation and impress upon them the importance of putting these recommendations into practice, and

16. That farmers, bankers, and merchants in other cotton producing States be requested to adopt and make practical application of these principles in order that the economic and social structure of the entire south may be placed on a sound and safe basis. All should recognize and heed the fact that the cotton acreage adjustment under present conditions should be much greater than under normal conditions. In doing this farmers will apply a principle of successful manufacturers, namely, the reduction of production to the demands of consumption. Unless farmers do this they will enlarge their own burden and postpone correction of the present distress situation.

Amendment to the effect that any acreage above 40,000,000 acres for the cotton belt as a whole would be dangerous.

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